

Rep. Laura Ruderman

45th District

Targeted tax breaks

Our tax system is too complicated and regressive. I'm supporting the following reforms this session to make the tax system more fair, encourage people to own homes, and promote conservation and clean energy.

1. Fairness

Seniors who own their homes usually don't plan on selling them, so they don't get the benefit of high property values. What seniors do receive is a higher tax bill. I'm supporting ideas to reduce this burden, including a proposal raising the income level to \$40,000 from \$30,000 for the senior property tax exemption so that more seniors aren't taxed out of their homes.

2. Sudden spikes

I support legislation to smooth out sudden spikes in property values — and taxes — to make property taxes more predictable and affordable.

3. Conservation and clean energy

We should encourage energy conservation and clean power sources through tax credits. Solar, wind and other clean power sources can help us weather any California-type power disasters without adding pollution to our air and water. I introduced legislation to encourage people to buy energy-efficient appliances by exempting those appliances from the sales tax.

Keeping in Touch

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2001 Budget Report



Representative

Laura Ruderman

45th District

2001 Budget Report

Dear neighbors,

Just like your family budget, the state has to stay within its means. But the budget also charts the course for our state: the future of our public schools, the directions our highways take and how many graduates universities will produce each year.

This year, the budget is especially important and challenging. Our state faces a budget crunch, with health care costs rising \$1 billion and two education initiatives costing another \$900 million, and no new sources of revenue.

Also, the governor has vowed to keep the Legislature in session until we pass a long-term transportation plan.

I'd like to hear what you think. What reforms make the most sense? How can we bring state government into the twenty-first century? What's the best way to unclog our highways? If you have any ideas, or want to find out more about the Legislature, feel free to contact my office.

Inside you'll find a snapshot of the state's operating budget. I hope this helps you better evaluate what you hear in the news about the budget this session.

As always, I welcome suggestions on how to better serve the citizens of the 45th District.

Sincerely,

Rep. Laura Ruderman
45th District

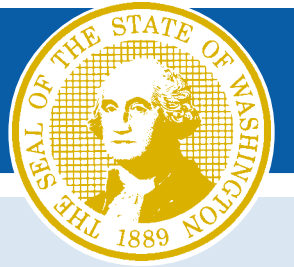
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If you'd like to receive issue updates via e-mail, please write to:
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How the budget works



A two-year budget

Our state uses a two-year budget, which the Legislature passes on odd-numbered years (1999, 2001, etc).

Writing budgets every two years saves money and time. Back at the nation's capitol, the president submits a budget every year, then the U.S. House and Senate wrestle with the numbers well into October, sometimes even December, before passing a budget and doing it all over again.

In our state, the governor is required to propose a balanced budget that funds services according to current laws. Sometimes, the governor gives lawmakers two budgets: a "current law" budget of what has to happen by law, then a second budget of what the governor really wants after passing new laws, cutting some programs and adding others.

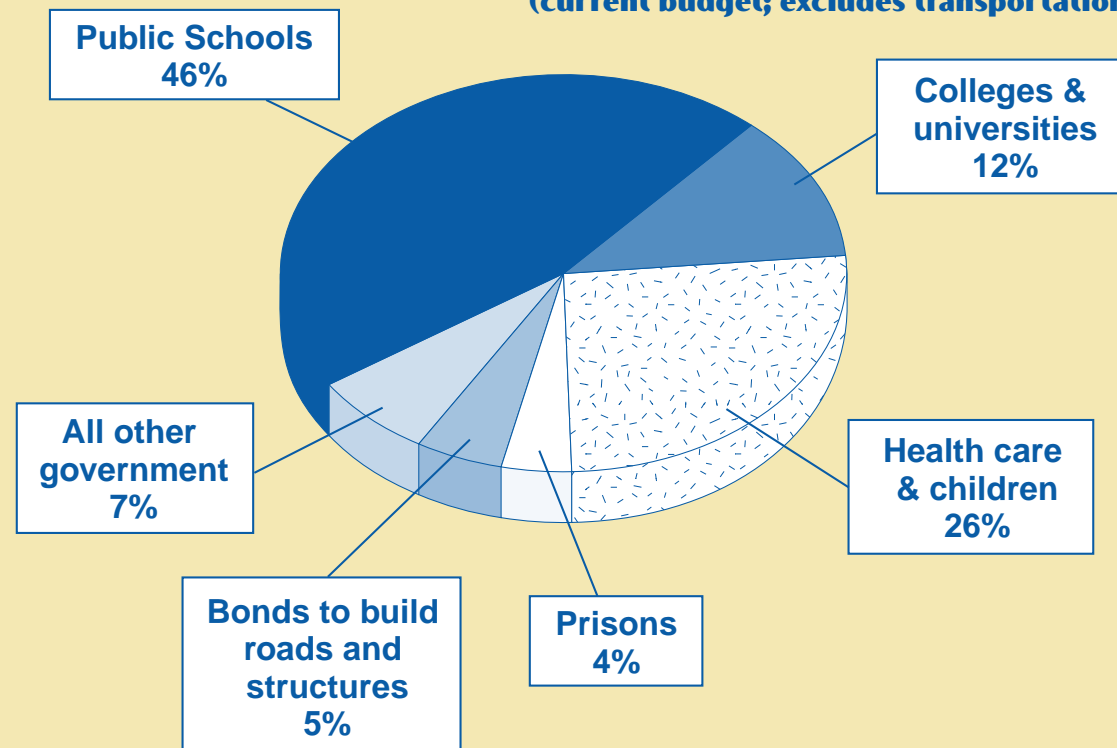
Taking turns

The House and Senate both have budget-writing committees — Appropriations in the House, then Ways and Means in the Senate — and each chamber takes turns taking the first shot at writing the state budget.

This year, it's the Senate's turn to come up with the first proposed budget before sending it to the House.

The operating budget at a glance

(current budget; excludes transportation)



Deep cuts this year

Gov. Gary Locke's proposed budget includes \$1.2 billion in cuts. Despite our state's healthy economy, the state must look at cuts due to four factors:

1. The state's legal spending limit;
2. Health care costs rose \$1 billion;
3. Two education initiatives mandate spending of up to \$900 million; and
4. Savings we enjoyed in the last budget — including extraordinary pension returns and the tobacco settlement — don't exist in this new budget.

Investing in our future

While the new state budget will contain cuts, there are some small changes and investments in the budget that make sense.

I'd like to tell you about investments in higher education, the engine driving the high-tech economy in the 45th District.



1. Give businesses the graduates they need — increase enrollment by 6,225 students to meet the growing demand for college and university enrollment throughout the state, and target at least 1,500 of those graduates in high-demand fields such as engineering and computer science.
2. Keep our best and brightest — other states use higher salaries to lure away our high-tech professors. To keep our best faculty, we must make salaries more competitive and boost our recruiting efforts for top professors.
3. Reward hard work in high school — a college degree is the surest ticket to the American Dream, and we can encourage students to reach for that dream by passing the Promise Scholarship program into law. This program awards two-year scholarships to students who meet certain income requirements and either graduate in the top 15 percent of their class or score 1200 on the SAT test.

Reforms to boost efficiency and accountability

With this year's budget crunch, it's more important than ever to bring government into the twenty-first century. I hope all lawmakers, regardless of party, unite behind common-sense reforms.

1. Flexibility

State agencies can't be as nimble as private businesses because they're weighed down with ancient civil service rules. We must reform the civil service system and give state agencies more flexibility to contract out when that's more efficient. (HB 1268)

2. Streamline

We should cut red tape by eliminating or merging state boards, commissions and agencies that duplicate services. Gov. Locke identified 23 boards and commissions to be cut. (HB 1355, HB 1375, HB 1421 and HB 1517)

3. Let citizens help

Other states have saved billions by using a citizens committee to study state government and find ways of doing things better, faster and cheaper. (HB 1276)

4. Reduce paperwork

Putting state paperwork online saves time and money. We can also save by eliminating reports that aren't necessary yet still required by law. Agencies should focus their energies on serving citizens, not producing report after report.

